



Provider-Preventable Conditions Update and Stakeholder Meeting

Department of Health Care Services

October 10, 2012

1:00 pm to 3:00 pm



Provider-Preventable Conditions Requirements

- Federal law requires all providers to report provider-preventable conditions (PPCs) that occur during treatment of Medi-Cal patients.
- The Department of Health Care Services (DHCS) initiated a State Plan Amendment to comply with this new federal law. This amendment was recently approved by the Centers for Medicare and Medicaid Services (CMS). Interested providers may read the [State Plan Amendment for PPCs](#), which became effective July 1, 2012.
- Providers must report all PPCs that are associated with claims for Medi-Cal payment or with courses of treatment given to a Medi-Cal patient for which payment would otherwise be available.
- Providers do not need to report PPCs that existed prior to the provider initiating treatment for the beneficiary.

PPC Reporting

- For beneficiaries enrolled in Fee-For-Service Medi-Cal, providers must report PPCs that occur during treatment directly to the DHCS.
- For beneficiaries enrolled in Managed Care, providers must report PPCs that occur during treatment directly to the Managed Care Plan.
- *DHCS will provide additional information on reporting requirements for Managed Care once guidance is received from the CMS.*

PPC Definitions

- Federal regulations define PPCs as health care-acquired conditions (HCAC) in inpatient hospital settings only and other provider-preventable conditions (OPPC)
- Three OPPCs are to be reported in all health care settings.
- Providers must report any PPC that did not exist prior to the provider initiating treatment for that patient.

HCACs

HCACs are as:

- ☐ Foreign object retained after surgery
- ☐ Air embolism
- ☐ Blood incompatibility
- ☐ Stage III and IV pressure ulcers
- ☐ Falls and trauma; including fractures, dislocations, intracranial injuries, crushing injuries, burns and electric shock
- ☐ Manifestations of poor glycemic control
 - o Diabetic ketoacidosis
 - o Nonketotic hyperosmolar coma
 - o Hypoglycemic coma
 - o Secondary diabetes with ketoacidosis
 - o Secondary diabetes with hyperosmolarity

HCACs (cont.)

HCACs include:

- ☐ Catheter-associated urinary tract infection (UTI)
- ☐ Vascular catheter-associated infection
- ☐ Surgical site infection following:
 - o Mediastinitis following coronary artery bypass graft (CABG)
 - o Bariatric surgery, including laparoscopic gastric bypass, gastroenterostomy and laparoscopic gastric restrictive surgery
 - o Orthopedic procedures, including spine, neck, shoulder, and elbow
- ☐ For non-pediatric/obstetric population, deep vein thrombosis (DVT)/pulmonary embolism (PE) resulting from:
 - o Total knee replacement
 - o Hip replacement

OPPCs

The three OPPCs that must be reported in any health care setting are:

- ☐ Wrong surgical or other invasive procedure performed on a patient
- ☐ Surgical or other invasive procedure performed on the wrong body part
- ☐ Surgical or other invasive procedure performed on the wrong patient

HCACs, NEW

While requirements for most HCACs took effect July 1, 2012, CMS added two new HCACs in August 2012 that took effect October 1, 2012. They are:

- Surgical site infection following cardiac implantable electronic device (CIED) procedures; and
- Iatrogenic pneumothorax with venous catheterization.

CMS added them as hospital-acquired conditions (HACs) with the August 31, 2012 Federal Register (item (II)(F)(5(b))). By federal regulations, HACs automatically become Medicaid HCACs for PPCs. Providers must report the new HCACs that occur on or after October 1, 2012.

PPC Reporting Forms

- To report to Fee-for-Service Medi-Cal, use the [one-page PPC reporting form \(DHCS 7107 07/12\)](#) to report PPCs to DHCS within five days of discovery of the PPC and confirmation that the patient is a Medi-Cal beneficiary. The form includes a description of PPCs.
- For beneficiaries enrolled in a managed care plan, providers must report to the beneficiary's Plan.
- *DHCS will provide additional information on reporting requirements for Managed Care once it receives guidance from the Centers for Medicare and Medicaid.*

Medi-Cal Provider-Preventable Conditions (PPC) Reporting Form

By law, providers must identify provider-preventable conditions that are associated with claims for Medi-Cal payment or with courses of treatment furnished to Medi-Cal patients for which Medi-Cal payments would otherwise be available. See instructions for a more detailed description of PPCs.

1. Name of facility		2. National Provider Identifier (NPI):	
3. Type of facility: <input type="checkbox"/> Inpatient		<input type="checkbox"/> Outpatient	
4. Managed care facility? Y <input type="checkbox"/> N <input type="checkbox"/>		Managed care plan code:	
5. Address:			
City:		State:	Zip code:
PPC – Other Provider-Preventable Condition (OPPC) in any health care setting:			
6. Date of OPPC:			
7. <input type="checkbox"/> Wrong surgery/invasive procedure			
8. <input type="checkbox"/> Surgery/invasive procedure on the wrong body part			
9. <input type="checkbox"/> Surgery/invasive procedure on the wrong patient			
PPC – Health Care-Acquired Conditions (HCAC) in an inpatient setting:			
10. Date of HCAC:			
11. <input type="checkbox"/> Air embolism		12. <input type="checkbox"/> Blood incompatibility	
13. <input type="checkbox"/> Catheter-associated urinary tract infection		14. <input type="checkbox"/> Deep vein thrombosis/pulmonary embolism	
15. <input type="checkbox"/> Falls/trauma		16. <input type="checkbox"/> Foreign object retained after surgery	
17. <input type="checkbox"/> Iatrogenic pneumothorax with venous catheterization			
18. <input type="checkbox"/> Manifestations of poor glycemic control		19. <input type="checkbox"/> Stage III or IV pressure ulcers	
20. <input type="checkbox"/> Surgical site infection		21. <input type="checkbox"/> Vascular catheter-associated infection	
22. Does the provider intend to file a claim for payment for PPC? Y <input type="checkbox"/> N <input type="checkbox"/>			
23. Patient under 21 years old? Y <input type="checkbox"/> N <input type="checkbox"/>			
24. Patient's name:			
25. Client Index Number (CIN):			
26. Patient's address:			
City:	State:	Zip Code:	Apt.:
27. Name of person completing report:			
28. Title:			
29. Phone:	Email:	Fax:	

Signature: _____ Date: _____

30. Mark "PROTECTED HEALTH INFORMATION: CONFIDENTIAL" and send completed report related to a Medi-Cal beneficiary within 5 working days of discovery to:

Via Secure Fax
Department of Health Care Services
Audits and Investigations Division
Occurrence of Provider-Preventable Conditions
(916) 650-6690

Via U.S. Post Office
Department of Health Care Services
Occurrence of Provider-Preventable Condition
Audits and Investigations Division, MS 2100
P.O. Box 997413
Sacramento, CA 95899-7413

Via UPS, FedEx, or Golden State Overnight
Department of Health Care Services
Occurrence of Provider-Preventable Condition
Audits and Investigations Division, MS 2100
1500 Capitol Ave., Suite 72.624
Sacramento, CA 95814-5006

Reporting to CDPH

- Please note that reporting PPCs for a Medi-Cal beneficiary does not preclude the reporting of adverse events and healthcare associated infections (HAI) to the California Department of Public Health pursuant to Health and Safety Code.

PPC Report Form Instructions

- **Facility information (boxes 1-5)**
- 1. Enter name of facility where the PPC occurred.
- 2. Enter the facility's National Provider Identifier (NPI).
- 3. Check the appropriate box if the PPC occurred in an inpatient or outpatient facility.
- 4. Check the appropriate box if the facility bills Medi-Cal through a managed care contract. Managed care plans should list their three-digit managed care plan code.
- 5. Enter the street address, city, state, and zip code of the facility where the patient was being treated when the PPC occurred.

PPC Report Form Instructions (cont.)

- ***PPC – Other Provider-Preventable Condition (boxes 6-9)***
- 6. If reporting an OPPC (inpatient or outpatient), enter the date (mm/dd/yyyy) that the OPPC occurred.
- 7. Check the box if the provider performed the wrong surgical or other invasive procedure on a patient.
- 8. Check the box if the provider performed a surgical or other invasive procedure on the wrong body part.
- 9. Check the box if the provider performed a surgical or other invasive procedure on the wrong patient.

PPC Report Form Instructions (cont.)

PPC – Health Care-Acquired Condition (boxes 10-21)

HCACs are the same conditions as hospital-acquired conditions (HACs) that are reportable for Medicare, with the exception of reporting deep vein thrombosis/pulmonary embolism for pregnant women and children under 21 years of age as noted below.

10. If reporting an HCAC (inpatient only), enter the date (mm/dd/yyyy) that a provider detected the HCAC.
11. Check the box if a patient experienced a clinically significant air embolism.
12. Check the box for an incidence of blood incompatibility.
13. Check the box if a patient experienced a catheter-associated urinary tract infection.
14. Check the box if the patient experienced deep vein thrombosis (DVT)/pulmonary embolism (PE) following total knee replacement or hip replacement in an inpatient setting. Do **not** check the box if the patient was under 21 or pregnant at time of PPC.
15. Check the box if the patient experienced a significant fall or trauma that result in:
 - Fracture
 - Dislocation
 - Intracranial injury
 - Crushing injury
 - Burn
 - Electric shock
16. Check the box for any unintended foreign object retained after surgery.
17. Check the box if the patient experienced iatrogenic pneumothorax with venous catheterization.

PPC Report Form Instructions (cont.)

18. Check the box if the patient experienced any of the following manifestations of poor glycemic control:

- Diabetic ketoacidosis
- Nonketotic hyperosmolar coma
- Hypoglycemic coma
- Secondary diabetes with ketoacidosis
- Secondary diabetes with hyperosmolarity

19. Check the box if the patient developed a stage III or stage IV pressure ulcer.

20. Check the box if a patient experienced:

- Mediastinitis following coronary artery bypass graft (CABG)
- A surgical site infection following:
 - Bariatric surgery
 - Laparoscopic gastric bypass
 - Gastroenterostomy
 - Laparoscopic gastric restrictive surgery
- A surgical site infection following:
 - Orthopedic procedures
 - Spine
 - Neck
 - Shoulder
 - Elbow
 - Cardiac implantable electronic device (CIED) procedures

21. Check the box if a patient experienced a vascular catheter-associated infection.

PPC Report Form Instructions (cont.)

PPC claim (box 22)

22. Check the appropriate box if the provider intends to file a claim to treat the PPC.

Patient information (boxes 23-26)

23. Check “yes” if the patient was under 21 years old or “no” if the patient was age 21 or older when the PPC occurred.

24. Enter beneficiary’s name (last, first, middle) as listed on the Beneficiary Identification Card.

25. Enter beneficiary’s Client Index Number (CIN) from the Beneficiary Identification Card.

26. Enter beneficiary’s home street address, including city, state, zip code, and apartment number, if applicable.

Provider Contact information (boxes 27-29)

27. Enter the name of the person completing this report.

28. Enter the title of the person completing this report.

29. Enter a work phone number, email address, and fax number where DHCS can contact the person completing this report.

PPC Report Form Instructions (cont.)

Department of Health Care Services (box 30)

30. Providers must send this form to the Department of Health Care Services (DHCS), Audits and Investigations Division via fax, U.S. Post Office, UPS, or FedEx. Providers must submit the form within five (5) working days of discovery of the event and confirmation that the patient is a Medi-Cal beneficiary. The preferred methods of sending the reports for confidentiality are No. 1, overnight courier with appropriate marking, No. 2, secure fax machine with appropriate marking, and No. 3, U.S. mail with appropriate marking. Providers must comply with HIPAA and any other relevant privacy laws to ensure the confidentiality of patient information. Providers may email questions about PPCs to PPCHCAC@dhcs.ca.gov.

THE INFORMATION CONTAINED IN THE COMPLETED FORMS IS PROTECTED HEALTH INFORMATION AND PERSONALLY IDENTIFIABLE INFORMATION, UNDER FEDERAL (HIPAA) LAWS AND CA STATE PRIVACY LAWS. IT MUST BE SHARED ONLY WITH DHCS' AUDITS AND INVESTIGATIONS DIVISION. THE PROVIDER IS RESPONSIBLE FOR ENSURING THE CONFIDENTIALITY OF THIS INFORMATION.

Reporting to DHCS

- *Providers must complete and send one form for each provider-preventable condition (PPC).*
- *Providers must report any PPC to DHCS that **did not exist prior to the provider initiating treatment** for a Medi-Cal beneficiary, even if the provider does not intend to bill Medi-Cal.*
- Mark “PROTECTED HEALTH INFORMATION: CONFIDENTIAL” and send completed report related to a Medi-Cal beneficiary within 5 working days of discovery to:

Via Secure Fax
Department of Health Care Services
Audits and Investigations Division
Occurrence of Provider-Preventable Conditions
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Payment Adjustments

- The federal Affordable Care Act section 2702 and Title 42 of the Code of Federal Regulations, sections 447, 434 and 438 also require that Medi-Cal not pay providers for treatment of PPCs.
- DHCS Audits & Investigations (A&I) will review all reports of PPCs, including those it discovers through other means, annually with facilities to determine if payment adjustments are necessary.

Provider Preventable Conditions Payment Methodology

Effective July 1, 2012

Contract Hospitals: Any days of service that are only medically necessary because of the Provider Preventable Condition (PPC) will not be reimbursed. If the contract allows for any separately payable services or devices and the need for those services or devices is only medically necessary because of the PPC, then those costs will also not be reimbursed. Any inpatient days or separately payable services or devices that are justifiable based on a medical condition other than a PPC will be reimbursed.

Non-Contract Hospitals: All costs that can be identified as being only medically necessary because of the PPC will not be reimbursable. All costs that are justifiable based on a medical condition other than a PPC will be reimbursed.

Certified Public Expenditure (CPE) Hospitals: All costs that can be identified as being only medically necessary because of the PPC will not be reimbursable. The hospital will need to identify those costs on a worksheet, to be developed, in its P14 workbook to demonstrate at reconciliation that those costs were removed from Schedule 1 of the workbook. All costs that are justifiable based on a medical condition other than a PPC will be reimbursed.

Providers are required to report PPCs within five days. Audits and Investigations (A&I) will perform post-payment review for all stays that included a provider-reported PPC to determine payment adjustments consistent with the stated policy. For CPE hospitals, it will be done upon reconciliation of their P14 workbook.

We are in process of finalizing the policy for neonatal and pediatric central line associated bloodstream infections (CLABSI).

Provider Preventable Conditions Payment Methodology (cont.)

Effective July 1, 2013 (Diagnosis Related Group Implementation)

There will no longer be contract/non-contract designations. Hospitals will be designated either Diagnosis Related Group (DRG) or CPE.

DRG Hospitals: DRG payments are based primarily on the diagnoses and procedures associated with a hospital stay. Diagnoses and procedures attributable to a PPC will be excluded in determining payment.

CPE Hospitals: No change.

We are in process of finalizing the policy for neonatal and pediatric central line associated bloodstream infections (CLABSI).

Frequently Asked Questions

Q. Is reporting mandatory?

Answer: Yes. Reporting is mandatory under federal law.

Q. When do I need to start reporting PPCs?

Answer: Providers must report all PPCs that occur on or after July 1, 2012.

Q. When must I report a PPC after it occurs?

Answer: Providers need to report PPCs within five working days of discovery and confirmation that the patient is a Medi-Cal beneficiary.

Q. Will DHCS offer a grace period in the requirement to report PPCs within five days during the implementation stage?

Answer: Although the federal law took effect July 1, 2011, CMS delayed compliance action until July 1, 2012, which is when DHCS implemented the requirement. A grace period was offered, however, that grace period is now ended. For quality improvement to be effective, action has to be taken on a real-time basis. For these reasons, DHCS expects reporting to be within five working days of discovery and confirmation that the patient is a Medi-Cal beneficiary.

Q. How do I report a PPC if the beneficiary is in Fee-For Service (FFS) Medi-Cal?

Answer: If the beneficiary has FFS Medi-Cal, fill out the Medi-Cal Provider-Preventable Conditions (PPC) Reporting Form, DHCS 7107 Rev 10/12, which is available at http://files.medi-cal.ca.gov/pubsdoco/Forms/dhcs_7107.pdf.

Q. How do I report a PPC if the beneficiary is in Medi-Cal Managed care?

Answer: If the beneficiary is enrolled in a Medi-Cal Managed Care Plan (MCP), the provider must report the PPC to the beneficiary's MCP. Plans are required to meet all the reporting requirements of the PPC reporting form (DHCS 7107 Rev 10/12), which is available at http://files.medi-cal.ca.gov/pubsdoco/Forms/dhcs_7107.pdf.

DHCS will provide additional information on reporting requirements for managed care once it receives guidance from the CMS.

Frequently Asked Questions (cont.)

Q. Although online submission of PPCs reports is not provided for at this time, does DHCS intend to make online reporting available at a later time?

Answer: Yes. DHCS is working to permit future online reporting.

Q. If I report an adverse event or a healthcare associated infection (HAI) to California Department of Public Health (CDPH) as required by state law, do I still have to report a PPC to DHCS for the same beneficiary?

Answer: Yes. The reporting requirements for PPCs are different than those for adverse events and HAIs. Providers would need to report to both departments if the patient is a Medi-Cal beneficiary. The differences in reporting to CDPH and DHCS include: 1) the type of events providers must report, 2) the severity of the events reported, 3) the consequences of the events, and 4) when HAIs must be reported. DHCS is working with CDPH to lessen the administrative burden of these different reporting requirements.

Q. If my patient already has a PPC when I began treating him/her, do I still need to report it?

Answer: No. The PPC report form is to be completed only for a PPC that occurred during the course of treatment.

Q. What is the threshold of severity for when I need to report a PPC?

Answer: Providers need to report all PPCs that are associated with claims for Medi-Cal payment or with courses of treatment given to a Medi-Cal patient for which payment would otherwise be available. These thresholds are aligned with the Medicare reporting thresholds (i.e. falls and trauma, blood incompatibility, etc.), with the exception of reporting deep vein thrombosis/pulmonary embolism for pregnant women and children under 21 years of age as noted previously.

Q. Do long-term care facilities (LTC) need to report PPCs?

Answer: Yes. However, LTC facilities need only to report OPPCs at this time.

Facilities include freestanding skilled nursing facilities, freestanding or distinct part intermediate care facilities, intermediate care facilities/developmentally disabled – habilitative, intermediate care facility/developmentally disabled, intermediate care facility/developmentally disabled – nursing, freestanding and distinct part subacute facilities (adult and pediatric), distinct part skilled nursing facilities. OPPCs that occur during the delivery of services reimbursed via the following must also be reported: rural swing beds, hospice services, bed hold days, special treatment programs, and administrative day rates.

Q. What is the process for reporting PPCs for California Children's Services' (CCS) patients?

Answer: The process for reporting PPCs for CCS patients who have Medi-Cal is the same for all Medi-Cal beneficiaries.

Questions and Answers

Help DHCS Help You!

- To learn more, please see general information at
<http://www.dhcs.ca.gov/individuals/Pages/AlPPC.aspx>
- [Frequently Asked Questions](#) about PPCs.
- Email questions about PPCs to
PPCHCAC@dhcs.ca.gov.

Contact US

DHCS Information/Questions

http://www.dhcs.ca.gov/individuals/Pages/Al_PPC.aspx

PPCHCAC@dhcs.ca.gov

Thank you for your participation!